

**OFFICE OF THE MISSISSIPPI SECRETARY OF STATE  
BUSINESS REGULATION AND ENFORCEMENT DIVISION**

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<b>IN THE MATTER OF :</b>	)	
	)	
<b>FREE PRESS ACTION FUND</b>	)	<b>Administrative Proceeding</b>
<b>100 Main Street</b>	)	<b>Number: <u>C-06-0506</u></b>
<b>Washington, DC 20347</b>	)	
	)	
<i>Respondent</i>	)	

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**FINAL ORDER DENYING REGISTRATION**

**I. JURISDICTION**

**COMES NOW**, James O. Nelson, II, Assistant Secretary of State for the Business Regulation and Enforcement Division of the Mississippi Secretary of State's Office (hereinafter "Division"), on behalf of Eric Clark, Secretary of State for the State of Mississippi, after having served a Notice of Intent to Deny Registration to FREE PRESS ACTION FUND by certified mail, return receipt requested, who have wholly failed to respond within the time allowed by the applicable rules, hereby issues this Final Order Denying Registration to FREE PRESS ACTION FUND (hereinafter "FPAF") pursuant to Miss. Code Ann. §79-11-509.

**I. JURISDICTION**

The Mississippi Charitable Solicitations Act, codified at Miss. Code Ann. §79-11-501, *et. seq.* (2001) (hereinafter "Act"), gives the authority to the Secretary of State to regulate "charitable organizations" that solicit donations in the State of Mississippi.

Section 79-11-503 of the Act requires every charitable organization which solicits or intends to solicit contributions in Mississippi to register with the Division prior to any

solicitation of contributions. Because FPAF registered as a charitable organization with the Division in accord with the requirements detailed in Miss. Code Ann. §79-11-503 in November of 2005, and attempted to renew its registration with the Division in November of 2006, FPAF has submitted to the Secretary of State's regulatory authority. Therefore, the Secretary of State finds that he has jurisdiction in this matter.

## **II. FINDINGS OF FACT**

1. FPAF is a non-profit Washington, D.C. corporation with a last known physical address of 100 Main Street, Northampton, Massachusetts 01061, and a last known mailing address of Post Office Box 28, Northampton, Massachusetts 01061.
2. In November of 2005, FPAF registered with the Division as a charitable organization pursuant to Miss. Code Ann. §79-11-503.
3. In November of 2006, FPAF attempted to renew its registration with the Division; however, the Division has determined that this renewal filing is incomplete.
4. During the fiscal year ending December 31, 2005, the Organization received Four Hundred and Ninety Three Thousand Five Hundred Sixteen Dollars (\$493,516.00) in contributions. Because the Organization received contributions in excess of One Hundred Thousand Dollars (\$100,000.00), the Organization must file both a financial report and a registration statement pursuant to Section 79-11-507 of the Act and Rule 202 promulgated under said Act.
5. Charitable organizations receiving in excess of One Hundred Thousand Dollars (\$100,000.00) a year must file a financial report and a registration statement. The financial report must include a balance sheet and statement of income and expense clearly setting forth the following: gross receipts and income from all sources, broken

Thousand Dollars (\$100,000.00) and all of whose fund-raising functions are carried on by persons who are unpaid for such services shall file a financial report along with the registration statement required by Section 79-11-503 and any renewals thereafter with the Secretary of State upon forms prescribed by him. Such financial report shall cover the most recently completed fiscal year and include such information as required by the Secretary of State by rule or otherwise, including, but not limited to, the gross receipts from contributions and the use of the proceeds of such contributions. The report shall be signed by the president or other authorized officer of the organization who shall certify under penalties of perjury that the statements therein are true and correct to the best of their knowledge. Such financial report shall be accompanied by any and all forms required to be filed by a charitable organization with the United States Internal Revenue Service.

9. Section 79-11-504 of the Act states, in relevant part:

The Secretary of State shall have the authority to:

(a) Promulgate rules of procedure and regulations necessary for the administration of Sections 79-11-501 through 79-11-529, Mississippi Code of 1972, subject to the provisions of the Mississippi Administrative Procedures Law.

10. Rule 202 of the Mississippi Charitable Solicitations Act Rules states the following, in relevant part:

In order to apply for registration as a Charitable Organization pursuant to §79-11-503 of the Act, the following must be submitted to the Division:

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An Annual Financial Report must be filed with the Registration Statement along with an audited financial statement and IRS Form 990 if the Organization 1) received contributions in its most recently completed fiscal year of over \$100,000; 2) hired, employed or contracted with a professional fund-raiser or fund-raising counsel; or 3) carried on fundraising functions by hiring, employing or contracting with any person paid for such services.



down into total receipts and income from each separate solicitation project or source; cost of administration; cost of solicitation; cost of programs designed to inform or educate the public; the total net amount disbursed or dedicated for each major purpose, charitable or otherwise. The report must be signed by the president or other authorized officer and the chief fiscal officer of the organization, and must be accompanied by an opinion signed by an independent certified public accountant that the financial statement fairly represents the financial operations of the organization in sufficient detail to permit public evaluation of its operations. The financial report must be accompanied by any and all forms required to be filed by a charitable organization with the IRS.

6. Because FPAF did not submit the financial report and a registration statement pursuant to Section 79-11-507 of the Act and Rule 202 promulgated under said Act, the registration renewal is incomplete and the Division must deny the registration. On November 30, 2006, the Division issued a Notice of Intent to Deny Registration against FPAF. The Division herein denies FPAF's registration application.

### **III. APPLICABLE LAW**

7. Miss. Code Ann. § 79-11-509(1)(a) states:

(1) The Secretary of State shall deny, suspend or revoke a registration or an exemption for the following reasons:

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The application for registration or renewal is incomplete.

8. Section 79-11-507 of the Act states the following, in relevant part:

(1) Every organization registered pursuant to Section 79-11-503 that shall receive in any fiscal year contributions not in excess of One Hundred

#### IV. CONCLUSIONS OF LAW

11. Because FPAF submitted an incomplete application for registration, the Division must deny FPAF's application for registration pursuant to Miss. Code Ann. 79-11-509(1)(a).

#### V. PUBLIC INTEREST

This Final Order Denying Registration against FPAF is issued in the public interest and for the protection of contributors consistent with the purposes of the Act.

#### V. ORDER

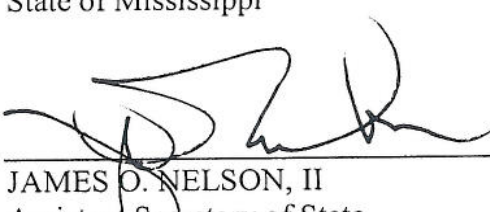
**IT IS THEREFORE ORDERED**, pursuant to the authority set out in the Act, that the registration of Respondent, FREE PRESS ACTION FUND, is hereby denied.

**BE ADVISED THAT**, a willful violation of this Final Order Denying Registration is punishable upon conviction by a fine of not more than Twenty-Five Thousand Dollars (\$25,000.00) or five (5) years imprisonment, or both, in addition to civil and administrative remedies available to the Division.

SO ISSUED, this, the 22 day of May, 2007.

ERIC CLARK  
Secretary of State  
State of Mississippi

BY:

  
JAMES O. NELSON, II  
Assistant Secretary of State  
Business Regulation & Enforcement



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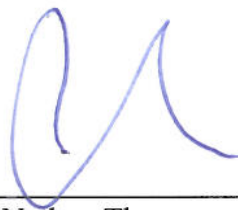
### CERTIFICATE OF SERVICE

I, Nathan Thomas, Senior Attorney, Mississippi Secretary of State's Office, Business Regulation and Enforcement Division, do hereby certify that I have this day mailed, via certified mail, return receipt requested, a true and correct copy of the above and foregoing Final Order Denying Registration to the following addresses:

This, the 23<sup>rd</sup> day of May, 2007.

Kimberly Longey  
Managing Director, Assistant Treasurer & Secretary  
Free Press Action Fund  
Post Office Box 28  
Northampton, Massachusetts 01061

Kimberly Longey  
Managing Director, Assistant Treasurer & Secretary  
Free Press Action Fund  
100 Main Street  
Northampton, Massachusetts 01061



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Nathan Thomas

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